3510-DS-P

DEPART 1985 OF CONTINERCE

International Trade Administration

[C-570-118]

Wood Mouldings and Millwork Products from the People's Republic of China:

Preliminary Results and Partial Rescission of Countervailing Duty Administrative Review;

2020-2021

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to producers and exporters of wood moulding and millwork products (millwork products) from the People's Republic of China (China) during the period of review (POR), June 12, 2020, through December 31, 2021. In addition, Commerce is rescinding this review with respect to 38 companies. Interested parties are invited to comment on these preliminary results of review.

DATES: Applicable [Insert the date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Janae Martin or Faris Montgomery, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0238 or (202) 482-1537, respectively.

SUPPLEMENTARY INFORMATION:

Background

On February 16, 2021, Commerce published a countervailing duty (CVD) order on millwork products from China.¹ The Coalition of American Millwork Producers (the petitioner) and other interested parties requested that Commerce conduct an administrative review of the

-

¹ See Wood Mouldings and Millwork Products from the People's Republic of China: Countervailing Duty Order, 86 FR 9484 (February 16, 2021) (Order).

Order. On February 4, 2022, Commerce published in the Federal Register a notice of initiation of an administrative review of the Order.² We initiated an administrative review of 70 producers/exporters of millwork products from China for the POR. On June 21, 2022, Commerce selected Fujian Jinquan Trade Co., Ltd. (Jinquan) and Fujian Yinfeng Imp & Exp Trading Co., Ltd. (Yinfeng) as the mandatory respondents in this administrative review.³

On October 5, 2022, Commerce extended the deadline for the preliminary results of this review to no later than February 28, 2023.⁴

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁵ A list of topics discussed in the Preliminary Decision Memorandum is included at Appendix I. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at https://access.trade.gov. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at

https://access.trade.gov/public/FRNoticesListLayout.aspx.

Scope of the *Order*

The product covered by the *Order* is millwork products from China. For a complete description of the scope of the *Order*, see the Preliminary Decision Memorandum.

Rescission of Administrative Review, In Part

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if a party who requested the review withdraws the request within 90 days of the date of publication of notice of initiation of the requested review. On June 30, 2022, Gaomi

² See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 87 FR 21619 (April 12, 2022) (Initiation Notice).

³ See Memorandum, "Respondent Selection," dated June 21, 2022.

⁴ See Memorandum, "Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review; 2020 – 2021," dated October 5, 2022.

⁵ See Memorandum, "Decision Memorandum for the Preliminary Results of the Countervailing Duty Administrative Review of Wood Mouldings and Millwork Products from the People's Republic of China; 2020-2021," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

Hongtai Home Furniture Co., Ltd. timely withdrew its request for review.⁶ On July 11, 2022, Sanming Lingtong Trading Co., Ltd. and Sanming Lintong Trading Co., Ltd. timely withdrew their requests for review.⁷ On July 11, 2022, the petitioner timely withdrew its requests for review of 57 companies.⁸ For the 34 companies for which all requests for review were timely withdrawn, we are rescinding this review, in part with respect to these companies pursuant to 19 CFR 351.213(d)(1).⁹

On June 29, 2022, Commerce notified interested parties that we intended to rescind this administrative review with respect to certain companies, in the absence of suspended entries during the POR. Five companies listed in our Intent to Rescind Memorandum, Aventra Inc., China Cornici Co., Ltd., Omni One Co., Limited, Raoping HongRong Handicrafts Co., Ltd. (d.b.a. Chen Chui Global Corp), and Shenzhen Xinjintai Industrial Co., Ltd., submitted comments claiming that they had entries of subject merchandise during the POR. As we require more time to fully examine the companies' claims and request additional information if necessary, we are not rescinding the review of these five companies at this time, and will make a determination in the final results. With respect to the remaining four companies noted in our Intent to Rescind Memorandum and for which all review requests were not timely withdrawn, 12 we find that there were no reviewable entries of subject merchandise during the POR. As a

-

⁶ See Gaomi Hongtai Home Furniture Co., Ltd.'s Letter, "Withdrawal of Request for Administrative Review," dated June 30, 2022.

⁷ See Sanming Lingtong Trading Co., Ltd./Sanming Lintong Trading Co., Ltd.'s Letter, "Withdrawal of Request for Administrative Review and Request for Extension of Time to File Request" dated July 11, 2022.

⁸ See the Petitioner's Letter, "Withdrawal of Request for Administrative Review," dated July 11, 2022.

⁹ See Appendix II for a list of companies for which we are rescinding the review due to the timely withdrawal of the request for review.

¹⁰ See Memorandum, "Notice of Intent to Rescind Review, In Part," dated June 29, 2022 (Intent to Rescind Memorandum).

¹¹ See Aventra Inc.'s Letter, "Comments on Notice of Intent to Rescind Review, In Part," dated July 13, 2022; see also China Cornici Co., Ltd.'s Letter, "Comments on Notice of Intent to Rescind Review, In Part," dated July 13, 2022; Omni One Co., Limited's Letter, "Comments on Notice of Intent to Rescind Review, In Part," July 13, 2022; Raoping HongRong Handicrafts Co., Ltd.'s Letter, "Comments on Notice of Intent to Rescind Review, In Part," dated July 13, 2022; Shenzhen Xinjintai Industrial Co., Ltd.'s Letter, "Comments on Notice of Intent to Rescind Review, In Part," dated July 13, 2022.

¹² See Appendix III for a list of these four companies.

result, we are rescinding this review, pursuant to 19 CFR 351.213(d)(3), with respect to these companies.

For further information regarding this determination, *see* "Final Rescission of Administrative Review, In Part" section in the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a financial contribution by an "authority" that confers a benefit to the recipient, and that the subsidy is specific.¹³ For a full description of the methodology underlying our preliminary conclusions, including our reliance, in part, on adverse facts available pursuant to sections 776(a) and (b) of the Act, *see* the Preliminary Decision Memorandum.

Preliminary Rate for Non-Selected Companies Under Review

As discussed above, Commerce initiated this administrative review with respect to 70 producers/exporters. We are rescinding the review for 34 companies for which the requests for administrative review were timely withdrawn and for four companies that had no suspended entries during the POR. Commerce selected two mandatory respondents, Jinquan and Yinfeng, for individual examination. For the remaining 28 non-selected companies subject to this review, because the rates calculated for mandatory respondents Jinquan and Yinfeng were above *de minimis* and not based entirely on facts available, we applied a preliminary subsidy rate based on a weighted average of the rates calculated for the two mandatory respondents using the publicly ranged sales data they submitted on the record. This methodology is consistent with our practice for establishing an all-others subsidy rate pursuant to section 705(c)(5)(A) of the Act. For further information on the calculation of the non-selected respondent rate, refer to the section in

¹³ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

the Preliminary Decision Memorandum entitled "Non-Selected Companies Under Review." For a list of the non-selected companies, *see* Appendix IV to this notice.

Preliminary Results of the Review

In accordance with 19 CFR 351.221(b)(4)(i), we calculated a countervailable subsidy rate for each of the mandatory respondents, Jinquan and Yinfeng, and their cross-owned affiliates, where applicable.

We preliminarily find the countervailable subsidy rates for the mandatory and nonselected respondents under review to be as follows:

Producer/Exporter	Subsidy Rate (percent) 2020	Subsidy Rate (percent) 2021
Fujian Jinquan Trade Co., Ltd. ¹⁴	13.21	8.63
Fujian Yinfeng Imp & Exp Trading Co., Ltd. ¹⁵	5.01	04.38
Non-Selected Companies Under Review ¹⁶	07.10	05.47

Disclosure

We intend to disclose to interested parties the calculations performed for these preliminary results in accordance with 19 CFR 351.224(b).

Verification

Commerce received a timely request from the petitioner to verify the information submitted in this administrative review. As provided in section 782(i)(3) of the Act, Commerce intends to verify the information relied upon for its final results of this review.

Public Comment

¹⁴ As discussed in the Preliminary Decision Memorandum, Commerce preliminarily finds Fujian Province Youxi County Baiyuan Wood Machining Co., Ltd. to be cross-owned with Jinquan. Fujian Province Youxi County Baiyuan Wood Machining Co., Ltd. was listed separately in the *Initiation Notice*.

¹⁵ As discussed in the Preliminary Decision Memorandum, Commerce preliminarily finds the following companies to be cross-owned with Yinfeng: Fujian Province Youxi City Mangrove Wood Machining Co., Ltd.; and Fujian Province Youxi City Mangrove Wood Machining Co., Ltd. Youxi Xicheng Branch. Fujian Province Youxi City Mangrove Wood Machining Co., Ltd. was listed separately in the *Initiation Notice*.

¹⁶ See Appendix IV.

¹⁷ See Petitioner's Letter, "Request for Verification," dated July 21, 2022.

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance. Interested parties will be notified of the timeline for the submission of case briefs at a later date.¹⁸ Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the date for filing case briefs.¹⁹ Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs. Parties who submit arguments are requested to submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.²⁰

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, using Enforcement and Compliance's ACCESS system within 30 days of publication of this notice. Requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; (3) whether any participant is a foreign national; and (4) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. Parties should confirm the date and time of the hearing two days before the scheduled date.

Parties are reminded that all briefs and hearing requests must be filed electronically using ACCESS ²² and must be served on interested parties. ²³ Electronically filed documents must be received successfully in their entirety by 5:00 p.m. Eastern Time on the established deadline.

Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice. ²⁴

¹⁸ See 19 CFR 351.309(c)(1)(ii); see also 19 CFR 351.303 (for general filing requirements).

¹⁹ See 19 CFR 351.309(d)(1); see also Temporary Rule Modifying AD/CVD Service Requirements Due to COVID—19, 85 FR 17006, 17007 (March 26, 2020) ("To provide adequate time for release of case briefs via ACCESS, E&C intends to schedule the due date for all rebuttal briefs to be 7 days after case briefs are filed (while these modifications remain in effect.")).

²⁰ See 19 CFR 351.309(c)(2) and 351.309(d)(2).

²¹ See 19 CFR 351.310(c).

²² See 19 CFR 351.303.

²³ See 19 CFR 351.303(f).

²⁴ See Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period, 85 FR 41363 (July 10, 2020).

Final Results

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h)(2), Commerce intends to issue the final results of this administrative review, including the results of its analysis of the issues raised by the parties in any written briefs, no later than 120 days after the date of publication of these preliminary results.

Assessment Rates

In accordance with 19 CFR 351.221(b)(4)(i), we preliminarily assigned subsidy rates in the amounts for the producer/exporters shown above. Upon completion of the administrative review, consistent with section 751(a)(1) of the Act and 19 CFR 351.212(b)(2), Commerce shall determine, and CBP shall assess, countervailing duties on all appropriate entries covered by this review, for the above-listed companies at the applicable ad valorem assessment rates listed for the corresponding time period (i.e., June 12, 2020, to December 31, 2020, and January 1, 2021, to December 31, 2021). For the companies for which this review is rescinded, Commerce will instruct CBP to assess countervailing duties on all appropriate entries at a rate equal to the cash deposit of estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, during the period June 12, 2020, through December 31, 2021, in accordance with 19 CFR 351.212(c)(l)(i). Commerce intends to issue assessment instructions to CBP for these companies no earlier than 35 days after the publication of the preliminary results of this review in the *Federal Register*. For the remaining companies under review, Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the Federal Register. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (i.e., within 90 days of publication).

Cash Deposit Requirements

In accordance with section 751(a)(1) of the Act, Commerce intends, upon publication of the final results, to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown for each of the respective companies listed above and in Appendix IV for 2021, the second year covered by the period of the review, on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits at the most recent company-specific or all-others rate, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Interested Parties

These preliminary results are issued and published pursuant to sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: February 28, 2023.

Abdelali Elouaradia, Deputy Assistant Secretary for Enforcement and Compliance.

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

-

- II. Background
- III. Final Rescission of Review, in Part
- IV. Non-Selected Companies Under Review
- V. Scope of the Order
- VI. Diversification of China's Economy
- VII. Use of Facts Otherwise Available and Application of Adverse Inferences
- VIII. Subsidies Valuation
- IX. Interest Rate Benchmarks, Discount Rates, Inputs, Land-Use and Electricity Benchmarks
- X. Analysis of Programs
- XI. Recommendation

Appendix II

Companies for Which All Review Requests Were Timely Withdrawn

- 1. Anji Golden Elephant Bamboo Wooden Industry Co., Ltd.
- 2. Evermark (Yantai) Co., Ltd.
- 3. Fujian Province Youxi County Chang Sheng Wood Machining Co., Ltd.
- 4. Fujian Ruisen International Industrial Co., Ltd.
- 5. Gaomi Hongtai Home Furniture Co., Ltd.
- 6. Heze Huasheng Wooden Co., Ltd.
- 7. Huaan Longda Wood Industry Co., Ltd.
- 8. Lanzhou Xinyoulian Industrial Co., Ltd.
- 9. Lianyungang Tianke New Energy Technology Co., Ltd.
- 10. Nanping Qiangmei Import & Export Co., Ltd.
- 11. Oppein Home Group Inc.
- 12. Pucheng County Qiangmei Wood Company, Ltd.
- 13. Qimen Jianxing Bamboo and Wood Goods Co., Ltd.
- 14. Qingdao Sanhe Dacheng International Trade Co., Ltd.
- 15. Rizhao Duli Trade Co., Ltd.
- 16. Rizhao Forest International Trading Co., Ltd.
- 17. Rizhao Guantong Woodworking Co., Ltd.
- 18. Rizhao Jiayue Industry & Trading Co., Ltd.
- 19. Sanming Lingtong Trading Co., Ltd.
- 20. Sanming Lintong Trading Co., Ltd.
- 21. Sanming Shitong Wood Industry Co., Ltd.
- 22. Shandong Jicheng Decorative Material Co., Ltd.
- 23. Shandong Miting Household Co., Ltd.
- 24. Shouguang Luli Wood Industry Co., Ltd.
- 25. Shuyang Zhongding Decoration Materials Co., Ltd.
- 26. The Ancientree Cabinet Co., Ltd.
- 27. Xiamen Oubai Industry & Trade Co., Ltd.
- 28. Xuzhou Goodwill Resource Co., Ltd.
- 29. Xuzhou Hexi Wood Co., Ltd.
- 30. Yongan Tenlong Bamboo & Wood Products Co., Ltd.
- 31. Zhangping San Chuan Industrial & Trade Co., Ltd.
- 32. Zhangzhou City Jinxi Building Material Co., Ltd.
- 33. Zhangzhou Fukangyuan Industry and Trade Co., Ltd.
- 34. Zhejiang Senya Board Industry Co., Ltd.

Appendix III

Companies for Which the Review Is Rescinded Due to No Reviewable Entries

- 1. Fujian Sanming City Donglai Wood Co., Ltd.
- 2. Suqian Sulu Import & Export Trading Co., Ltd.
- 3. Xiamen Jinxi Building Material Co., Ltd.
- 4. Zhangzhou Green Wood Industry and Trade Co., Ltd.

Appendix IV

Non-Selected Companies under Review

- 1. Anji Huaxin Bamboo & Wood Products Co., Ltd.
- 2. Aventra Inc.
- 3. Baixing Import and Export Trading Co., Ltd. Youxi Fujian
- 4. Bel Trade Wood Industrial Co.
- 5. Bel Trade Wood Industrial Co., Ltd. Youxi Fujian
- 6. Cao County Hengda Wood Products Co., Ltd.
- 7. China Cornici Co., Ltd.
- 8. Fotiou Frames Limited
- 9. Fujian Hongjia Craft Products Co., Ltd.
- 10. Fujian Shunchang Shengsheng Wood Industry Limited Company
- 11. Fujian Wangbin Decorative Material Co., Ltd.
- 12. Fujian Youxi Best Arts & Crafts Co., Ltd.
- 13. Fujian Zhangping Kimura Forestry Products Co., Ltd.
- 14. Homebuild Industries Co., Ltd.
- 15. Jiangsu Chensheng Forestry Development Co., Ltd.
- 16. Jiangsu Wenfeng Wood Co., Ltd.
- 17. Longquan Jiefeng Trade Co., Ltd.
- 18. Nanping Huatai Wood & Bamboo Co., Ltd.
- 19. Omni One Co., Limited
- 20. Putian Yihong Wood Industry Co., Ltd.
- 21. Raoping HongRong Handicrafts Co., Ltd. (d.b.a. Chen Chui Global Corp.)
- 22. Shaxian Hengtong Wood Industry Co., Ltd.
- 23. Shaxian Shiyiwood, Ltd.
- 24. Shenzhen Xinjintai Industrial Co., Ltd.
- 25. Shuyang Kevin International Co., Ltd.
- 26. Wuxi Boda Bamboo & Wood Industrial Co., Ltd.
- 27. Zhangzhou Wangjiamei Industry & Trade Co., Ltd.
- 28. Zhangzhou Yihong Industrial Co., Ltd.

[FR Doc. 2023-04573 Filed: 3/6/2023 8:45 am; Publication Date: 3/7/2023]